

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11 Case No.  
 :  
LEHMAN BROTHERS HOLDINGS INC., *et al.*, : 08-13555 (JMP)  
 :  
Debtors. : (Jointly Administered)  
 :  
 :  
 :  
 :  
-----X

**FOURTH INTERIM FEE APPLICATION OF MMOR CONSULTING INC.  
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED  
AND FOR REIMBURSEMENT OF EXPENSES FOR TAX SERVICES PROVIDERS  
TO THE DEBTORS AND DEBTORS-IN-POSSESSION FOR THE PERIOD FROM  
JUNE 1, 2011 THROUGH SEPTEMBER 30, 2011.**

Name of Applicant: MMOR Consulting Inc.

Authorized to Provide Professional Services to: the above-captioned debtors and debtors-in-possession

Date of Retention: October 20, 2010, nunc pro tunc to June 1, 2010

Period for which compensation and reimbursement are sought: June 1, 2011 through September 30, 2011

Amount of compensation sought as actual, reasonable, and necessary: \$213,358.75

Amount of Expense Reimbursement sought as actual, reasonable, and necessary: \$1,847.75

This is a(n): \_\_\_\_ monthly X interim \_\_\_\_ final application

Prior Fee Application Filed:

First Interim Fee Application for the period July 1, 2010 through September 30, 2010 dated December 14, 2010 included the following:

- Amount of compensation sought as actual, reasonable, and necessary: \$146,025.00
- Amount of Expense Reimbursement sought as actual, reasonable, and necessary: \$11,719.00

Second Interim Fee Application for the period October 1, 2010 through January 31, 2011 dated March 14, 2011 included the following:

- Amount of compensation sought as actual, reasonable, and necessary: \$229,281.25
- Amount of Expense Reimbursement sought as actual, reasonable, and necessary: \$2,694.96

Third Interim Fee Application for the period February 1, 2011 through May 31, 2011 dated August 1, 2011 included the following:

- Amount of compensation sought as actual, reasonable, and necessary \$215,242.50
- Amount of expense reimbursement sought as actual, reasonable, and necessary \$2,860.27

**COMPENSATION SOUGHT BY PROFESSIONAL  
JUNE 1, 2011 THROUGH SEPTEMBER 30, 2011**

Last Name	First Name	Title	Total Hours Billed	Hourly Billing Rate <sup>1</sup>	Total Compensation
Morgese	Michael	President	775.85	275	\$213,358.75
		Total	775.85		\$213,358.75

<b>Compensation</b>	<b>\$213,358.75</b>
<b>Total Hours</b>	<b>775.85</b>
<b>Rate</b>	<b>\$ 275.00</b>

<sup>1</sup> The hourly billing rate of \$275 has been in effect since September 15, 2008.

**COMPENSATION BY PROJECT CATEGORY**  
**JUNE 1, 2011 THROUGH SEPTEMBER 30, 2011**

<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees</b>
State & Local Tax Services	775.85	\$213,358.75
<b>Total</b>	<b>775.85</b>	<b>\$213,358.75</b>

**EXPENSE SUMMARY**  
**JUNE 1, 2011 THROUGH SEPTEMBER 30, 2011**

<b>Expense Category</b>	<b>Service Provider (if applicable)</b>	<b>Total Expenses</b>
<b>Transportation</b>	Parking – 101 Hudson Street., JC, NJ \$1,192.00	<b>\$1,192.00</b>
<b>Meals</b>	Various \$205.75	<b>\$205.75</b>
<b>Total</b>		<b>\$1,847.75</b>

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<b>In re</b>	: Chapter 11 Case No.
	:
<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	: 08-13555 (JMP)
	:
<b>Debtors.</b>	: (Jointly Administered)
	:
	:
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**FOURTH INTERIM FEE APPLICATION OF MMOR CONSULTING INC.  
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED  
AND FOR REIMBURSEMENT OF EXPENSES FOR TAX SERVICES PROVIDERS  
TO THE DEBTORS AND DEBTORS-IN-POSSESSION FOR THE PERIOD FROM  
JUNE 1, 2011 THROUGH SEPTEMBER 30, 2011.**

Pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals [Docket No. 1388] (the “Compensation Order”), MMOR Consulting Inc. (MMOR) hereby files this Fourth Interim Fee Application for the Allowance of Compensation for Services Rendered and for Reimbursement of Expenses as Counsel to the Debtors and Debtors-in-Possession for the Period from June 1, 2011 through September 30, 2011 (the “Application”). By this Application, MMOR seeks interim allowance pursuant to the Compensation Order with respect to the sums of \$213,358.75 as compensation and \$1,847.75 for reimbursement of actual and necessary expenses for the total of \$215,206.50 for the period June 1, 2011 through and including September 30, 2011 (the “Compensation Period”). In support of this Application, MMOR respectfully represents as follows:

**Background**

1. On September 15, 2008 and periodically thereafter (the “Petition Date”), the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

2. On May 26, 2009, the Court entered the *Order Appointing Fee Committee and Approving Fee Protocol* [Docket No. 3651], and pursuant thereto a “Fee Committee” was appointed in these chapter 11 cases. On April 14, 2011, the Court amended the fee protocol established in these cases [Docket No. 15998].

3. On September 1, 2011, the Debtors filed a third amended joint chapter 11 plan (the “Plan”) and disclosure statement (the “Disclosure Statement”) [Docket Nos. 19627 and 19629]. On September 1, 2011, the Bankruptcy Court entered an amended order [Docket No. 19631] approving the Disclosure Statement, establishing solicitation and voting procedures in connection with the Plan, scheduling the confirmation hearing and establishing notice and objection procedures for the confirmation hearing. On September 15, 2011, the Bankruptcy Court entered an order [Docket No. 20016] approving a modification to the Disclosure Statement.

4. MMOR was previously performing tax advisory services on behalf of the Debtors as a professional utilized in the ordinary course of business (“Ordinary Course Professional” or “OCP”). MMOR was further retained as a Tax Services Provider by the Court Order dated October 20, 2010, *nunc pro tunc* to June 1, 2010 (the “Retention Order”). The Retention Order authorized MMOR to be compensated on an hourly basis and to be reimbursed for actual and necessary out of pocket expenses.

5. Prior to this Compensation Period, MMOR filed its first application for interim allowance of compensation for professional services rendered and reimbursement of actual and necessary expenses on December 14, 2010 [Docket No. 13467] for the amount of \$146,025 in fees and \$11,719 in accrued expenses (the “First Interim Application”). The First Interim Application covered the compensation period of July 1, 2010 through September 30, 2010. The

Court entered an order on November 22, 2011, granting MMOR \$146,025 in fees and expenses in the amount of \$11,337 [Docket No. 22506].

6. On March 14, 2011, MMOR filed its second application for interim allowance for compensation for professional services rendered and reimbursement of actual and necessary expenses for the amount of \$229,281.25 in fees and \$2,694.96 in accrued expenses (the “Second Interim Application”) [Docket No. 15015]. The Second Interim Application covered the compensation period of October 1, 2010 through January 31, 2011. On November 22, 2011, MMOR entered into a stipulation [Docket No. 22490] with the Fee Committee regarding the Second Interim Application pursuant to which MMOR has agreed to accept the Fee Committee’s proposal of a \$990 disallowance of fees for professional services rendered, and a disallowance of \$1,168.33 for the reimbursement of expenses. MMOR is currently awaiting entry of an order by the Court approving MMOR’s request for interim compensation and reimbursement of expenses in the amount of \$228,291.25 in fees and the reduced amount of \$1,526.63 in expenses.

7. On August 1, 2011, MMOR filed its third application for interim allowance for compensation for professional services rendered and reimbursement of actual and necessary expenses [Docket NO. 19218] for the amount of \$215,242.50 in fees and \$2,860.27 in accrued expenses (the “Third Interim Application”). The Third Interim Application covers the compensation period of February 1, 2011 through May 31, 2011. This application is currently pending approval.

#### **Compensation Paid and Its Source**

8. All services for which compensation is requested by MMOR were performed for or on behalf of the debtors.

9. MMOR has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between MMOR and any other person for services rendered in these cases.

**Fourth Interim Fee Application**

10. The daily time detail for MMOR professionals that provided services during the Compensation Period is attached hereto as Exhibit A. To the best of MMOR's knowledge, this application complies with: (i) the Guidelines for Fees and Disbursements for Professionals in Southern Districts of New York Bankruptcy Cases adopted by the Court on June 20, 1991, and the Amended Guidelines for the Fees and Disbursements for Professionals in the Southern Districts of New York Bankruptcy Cases adopted in the Court on April 19, 1995; (ii) the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. Section 330 adopted on January 30, 1996; (iii) the Second Amended Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code and Bankruptcy Rule 2016(a) Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals [Docket No. 3102] and (iv) General Order M-389.

**Actual and Necessary Expenses**

8. MMOR incurred \$1,847.75 of reimbursable out of pocket expenses during the Compensation period.

**Summary of Services Rendered**

9. MMOR by and through its professionals, has performed all necessary professional services which are described and narrated in detail hereafter.

**Summary of Services by Project**

10. The services rendered by MMOR during the Compensation Period include state and local tax audit representation including income, franchise, sales and use taxes. The professionals who rendered the services relating to each category are identified, along with the number of hours for each individual and the total compensation sought for each category, in Exhibit A attached hereto.

A. Tax Services

Fees \$213,358.75; Total Hours 775.85



This category includes all matters related to the representation of Debtors, during various state and local tax audits in the areas of income, franchise, sales, use, payroll, etc.

**Valuation of Services**

11. Professionals of MMOR have expended a total of 775.85 hours in connection with this matter during the Compensation Period, as follows:

<b>Last Name</b>	<b>First Name</b>	<b>Title</b>	<b>Total Hours Billed</b>	<b>Hourly Billing Rate</b>	<b>Total Compensation</b>
Morgese	Michael	President	775.85	275	\$213,358.75
		Total	775.85		\$213,358.75

The daily detailed time records for the work performed by this person is fully set forth in Exhibit A attached hereto. The reasonable value of the services rendered by MMOR to the debtors during the Compensation Period is \$213,358.75.

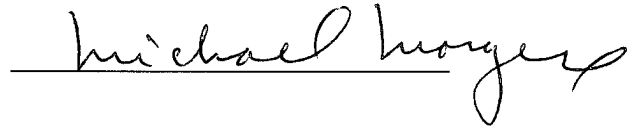
12. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by MMOR is fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

WHEREFORE, MMOR respectfully requests that the Court authorize that for the period June 1, 2011 through September 30, 2011, an interim allowance be made to MMOR pursuant to the terms of the Compensation Order, with respect to the sum of \$213,358.75 as compensation for necessary professional services rendered, and the sum of \$1,847.75 as reimbursement of actual necessary costs and expenses, for a total of \$215,206.50 and that any

portion of such sums that remains unpaid be authorized for payment by the Debtors, and for such other and further relief as this Court may deem justified and proper.

Dated: November 22, 2011

Respectfully Submitted,

A handwritten signature in cursive script, reading "Michael Morgese", written over a horizontal line.

Michael Morgese

MMOR Consulting Inc.

750 Third Avenue-9<sup>th</sup> Floor  
New York, NY 10017  
Tel. (212) 768-2233

State & Local Tax Provider  
For Debtors and Debtors-In-Possession

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	: Chapter 11 Case No.
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<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	: 08-13555 (JMP)
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<b>Debtors.</b>	: (Jointly Administered)
	:
	:
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**CERTIFICATION UNDER GUIDELINES FOR FEES AND DISBURSEMENTS  
FOR PROFESSIONALS IN RESPECT OF FOURTH INTERIM FEE APPLICATION OF  
MMOR CONSULTING INC FOR ALLOWANCE OF COMPENSATION FOR  
SERVICES RENDERED AND FOR REIMBURSEMENT OF ESPENSES FOR STATE  
AND LOCAL TAX SERVICES PROVIDERS TO THE DEBTORS AND DEBTORS-IN-  
POSSESSION FOR THE PERIOD JUNE 1, 2011 THROUGH SEPTEMBER 30, 2011.**

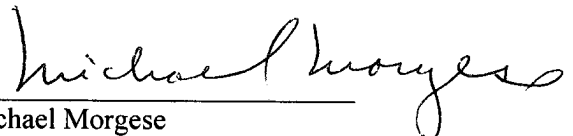
I, Michael Morgese, hereby certify that:

1. I am the President of MMOR Consulting Inc. (MMOR) which maintains an office at 750 Third Avenue-9<sup>th</sup> Floor, New York, New York. I have personal knowledge of the facts set forth herein.
2. I submit this Certification in support of the fourth interim fee application dated November 15, 2011 (the "Application") of MMOR, seeking entry of an order, pursuant to sections 330 and 331 of title 11 of the United States Code (the "Bankruptcy Code") and rule 2016 of the Federal Rule of Bankruptcy Procedure (the "Bankruptcy Rules") granting interim allowance of compensation for services rendered and expenses incurred as state and local tax services providers to the above-captioned debtors and debtors-in-possession (the "Debtors") during the period from June 1, 2011 through and including September 30, 2011 (the "Interim Period"), and directing payment of fees and expenses that were not paid or which were previously subject to a holdback.

3. I have read the Application and, to the best of my knowledge, information and belief, formed after reasonable inquiry (a) I have read the Application, (b) to the best of my knowledge, information and belief after reasonable inquiry, the Application complies with the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. section 330 (the "Guidelines"), (c) to the best of my knowledge, information and belief and reasonable inquiry, the fees and expenses sought fall within the Guidelines, except as noted otherwise, (d) except to the extent that fees or disbursements are prohibited by the Guideline, the fees and disbursements sought are billed at rates and in accordance with practices customarily employed by MMOR and generally accepted by MMOR's clients, (e) in seeking reimbursement of expenses, MMOR does not make a profit on that expenditure, whether it is performed by MMOR in-house or through a third party, (f) MMOR has provided the US Trustee, the Debtors, the Creditors' Committee and the fee committee with Monthly Fee Statements for such fees.
4. There is no agreement or understanding between MMOR and any other person, for sharing of compensation to be received for services rendered or to be rendered in the Chapter 11 Cases.

WHEREFORE, I declare that the above is true and correct to the best of my knowledge.

Dated: November 22, 2011

  
Michael Morgese

**Exhibit A**

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
State & Local Tax Audits					
Professional Services					
<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
6/1/2011	MM	Meetings with client regarding LBHI's NYS settlement for 1992-2007.	4.10	275	\$1,127.50
6/1/2011	MM	Meetings with client regarding PAMI's Ohio sales tax issues for 2003-2008.	2.40	275	\$660.00
6/1/2011	MM	Research reporting of NYS changes to NYC.	3.50	275	\$962.50
6/2/2011	MM	Meeting with client and NYS officials in Albany regarding payment of assessment for 1992-2008.	9.70	275	\$2,667.50
6/3/2011	MM	Discussions with client and NYS officials regarding withdrawal of request for Conciliation Conference for 1992-2008.	3.80	275	\$1,045.00
6/3/2011	MM	Meetings with client regarding various PA assessments against Aurora Bank for several years.	3.30	275	\$907.50
6/3/2011	MM	Review additional information regarding LBHI's Minnesota assessment for 2004-2006.	3.20	275	\$880.00
6/4/2011	MM	Preparation and discussions with client regarding reporting of NYS changes to NYC.	6.20	275	\$1,705.00
6/6/2011	MM	Review information relating to the allocation of NYS settlement to various affiliates.	5.70	275	\$1,567.50
6/6/2011	MM	Review information relating to investment income in order to reduce NYC assessment for 1996-2007.	4.60	275	\$1,265.00
6/7/2011	MM	Meetings with client and PWC regarding the need to file NYC3360.	3.20	275	\$880.00
6/7/2011	MM	Research penalties for failure to file NYC3360.	2.70	275	\$742.50

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
6/7/2011	MM	Discussions with client and attorneys regarding information to be included on NYC 3360.	4.30	275	\$1,182.50
6/8/2011	MM	Meetings with client to determine timing and format of reporting NYS changes to NYC.	4.10	275	\$1,127.50
6/8/2011	MM	Letter requesting withdrawal of NYS Conciliation Conference for 1992-2007.	4.75	275	\$1,306.25
6/8/2011	MM	Review information regarding PAMI's Massachusetts assessment for 2007.	4.30	275	\$1,182.50
6/9/2011	MM	Review NYS settlement for 1992/2007 and determine issues which would not be reportable to NYC.	5.70	275	\$1,567.50
6/9/2011	MM	Review client payments/overpayments to NYC and reconcile to NYC records.	4.40	275	\$1,210.00
6/10/2011	MM	Review NYC adjustments relating to officers compensation for 1996-2007.	4.10	275	\$1,127.50
6/10/2011	MM	Review information relating to NYC disallowance of capital losses for 2000-2003.	4.70	275	\$1,292.50
6/10/2011	MM	Discussions with client regarding Ohio sales tax assessment of PAMI Statler Arms.	2.20	275	\$605.00
6/10/2011	MM	Meeting with client regarding the requirements for combination in Ca., Ma. NYS.	1.70	275	\$467.50
6/13/2011	MM	Review NYC alternative tax on officers compensation and related adjustments for 1996/1999.	4.30	275	\$1,182.50
6/13/2011	MM	Meeting with client regarding Ca. issues for 2005-2007 including allocation of receipts, etc.	5.70	275	\$1,567.50
6/13/2011	MM	Review information relating to Texas audit of LBHI for 2009.	1.30	275	\$357.50

<b>MMOR Consulting, Inc. 750 Third Ave – 9th Fl. New York, NY 10017</b>					
6/14/2011	MM	Review information relating to foreign dividends and gross receipts for Ca audit of LBHI for 2005/2007.	5.10	275	\$1,402.50
6/14/2011	MM	Obtain and review information relating to NYC assessment for 1996/2008.	5.30	275	\$1,457.50
6/15/2011	MM	Meetings with client to discuss settlement proposal relating to NYC for 1996/2008.	5.70	275	\$1,567.50
6/15/2011	MM	Discussions with client and attorneys relating to the filing of NYC 3360.	4.20	275	\$1,155.00
6/16/2011	MM	Obtain and review information to be provided to PWC, Sutherland, etc. relating to NYC meeting on June 21.	5.10	275	\$1,402.50
6/16/2011	MM	Meeting with NYS sales tax auditor relating to Neuberger Berman LLC 2008/2011.	4.40	275	\$1,210.00
6/17/2011	MM	Review NYC information relating to investment income for 1996/1999	3.20	275	\$880.00
6/17/2011	MM	Review NYC information relating to investment income for 2000/2003.	3.70	275	\$1,017.50
6/17/2011	MM	Review NYC information relating to investment income for 2004/2008.	3.80	275	\$1,045.00
6/18/2011	MM	Review information (gross receipts) relating to Texas audit of LBHI for 2009.	3.20	275	\$880.00
6/18/2011	MM	Review NYC information relating to capital losses for 2000-2004.	4.70	275	\$1,292.50
6/20/2011	MM	Review NYC information relating to income from subsidiaries for 1996-2008.	4.60	275	\$1,265.00
6/20/2011	MM	Meeting with client to discuss issues relating to NYC assessment for 1996/2008.	4.30	275	\$1,182.50
6/21/2011	MM	Meeting with client, PWC, A&M, and Sutherland to discuss NYC settlement options.	5.10	275	\$1,402.50



<b>MMOR Consulting, Inc. 750 Third Ave – 9th Fl. New York, NY 10017</b>					
6/21/2011	MM	Meeting with client and review information regarding Texas audit of LBHI for 2009.	3.70	275	\$1,017.50
6/22/2011	MM	Discussions with client regarding NYC depreciation deduction on returns for 1996/2008.	4.70	275	\$1,292.50
6/22/2011	MM	Review information regarding NYC credit of UBT on the corporate income tax return for 1996/2008.	4.40	275	\$1,210.00
6/23/2011	MM	Meeting with Texas auditors and review information regarding LHBI combined returns for 2008/2009.	5.70	275	\$1,567.50
6/23/2011	MM	Review alternative approaches in reporting NYS changes to NYC for 1992/2007.	3.60	275	\$990.00
6/24/2011	MM	Review information regarding NYS payroll audit of Neuberger Berman LLC for 2006/2009.	3.70	275	\$1,017.50
6/24/2011	MM	Review information regarding NYS payroll audit of Neuberger Berman Fixed Income for 2005/2009.	2.40	275	\$660.00
6/24/2011	MM	Review information regarding NYS payroll audit of Lehman Brothers Globals Services for 2007/2009.	2.90	275	\$797.50
6/27/2011	MM	Meeting with NYS payroll tax audit team regarding three payroll audits.	3.60	275	\$990.00
6/27/2011	MM	Meeting with client regarding allocation of NYS settlement to various related entities.	4.20	275	\$1,155.00
6/27/2011	MM	Review information regarding Massachusetts assessment of PAMI for 2007.	1.30	275	\$357.50
6/28/2011	MM	Meeting with client, PWC, A&M, and Sutherland to discuss NYC settlement options.	3.30	275	\$907.50
6/28/2011	MM	Preparation of NYC Forms 3360 reporting NYS changes for 1992-2007.	4.10	275	\$1,127.50

[illegible]

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
State & Local Tax Audits					
Professional Services					
<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
7/1/2011	MM	Review information regarding Ohio audit of Lehman Brothers Bank for 2007.	4.10	275	\$1,127.50
7/1/2011	MM	Research Delaware estimated tax issue for LBB.	2.30	275	\$632.50
7/1/2011	MM	Review information regarding Texas audit of Lehman Brothers Bank for 2006.	3.60	275	\$990.00
7/5/2011	MM	Research allocation of gross receipts for Texas audit of LBB.	4.50	275	\$1,237.50
7/5/2011	MM	Review information regarding the Gross-Up method for Texas receipts for LBB.	5.20	275	\$1,430.00
7/6/2011	MM	Meetings, discussions with client regarding Texas audit of LBB for 2006-2007.	4.40	275	\$1,210.00
7/6/2011	MM	Meetings, discussions with client regarding Ohio audit of LBB for 2007.	4.70	275	\$1,292.50
7/7/2011	MM	Review additional information regarding Texas audit of LBB for 2007.	4.10	275	\$1,127.50
7/7/2011	MM	Meetings with client to discuss settlement proposal of Texas LBB audit for 2006-2007.	3.80	275	\$1,045.00
7/8/2011	MM	Review information regarding Colorado desk audit of LBHI for 2006/2008.	2.70	275	\$742.50
7/8/2011	MM	Discussions regarding Mass. Audit of PAMI 2007.	2.40	275	\$660.00
7/8/2011	MM	Review information regarding NYC audit of LB Commercial Bank LLC.	4.30	275	\$1,182.50
7/11/2011	MM	Meetings, discussions and review of information regarding NYS payroll audit of Neuberger Berman LLC.	3.25	275	\$893.75

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
7/11/2011	MM	Meetings, discussions and review of information regarding NYS payroll audit of Lehman Brothers Asset Management LLC.	3.10	275	\$852.50
7/11/2011	MM	Meetings, discussions and review of information re: NYS payroll audit of Lehman Brothers Global Services.	3.80	275	\$1,045.00
7/12/2011	MM	Review information regarding NYS sales tax audit of NY Broadway Holdings LLC.	4.30	275	\$1,182.50
7/12/2011	MM	Review information regarding NYS sales tax audit of Neuberger Berman LLC for 2006-2009.	4.80	275	\$1,320.00
7/13/2011	MM	Meetings, discussions regarding Texas audit of LBHI for 2008/2009.	4.70	275	\$1,292.50
7/13/2011	MM	Review information relating to NYC investment income of LBHI and subsidiaries for 1996/2008.	5.10	275	\$1,402.50
7/14/2011	MM	Letter protesting Minn. assessment of LBHI for 2004-2006.	5.20	275	\$1,430.00
7/14/2011	MM	Review information regarding Chicago audit of Neuberger Berman Group LLC	3.60	275	\$990.00
7/15/2011	MM	Prepare NYC forms 3360 for the years 1992/1996 reporting NYS changes.	3.20	275	\$880.00
7/15/2011	MM	Prepare NYC forms 3360 for 1997/2000 reporting NYS changes.	3.10	275	\$852.50
7/15/2011	MM	Prepare NYC forms 3360 for 2001/2004 reporting NYS changes.	3.30	275	\$907.50
7/18/2011	MM	Prepare NYC forms 3360 for 2005/2007 reporting NYS changes.	3.10	275	\$852.50
7/18/2011	MM	Meetings with client to discuss payroll audit of Neuberger Berman LLC for 2006-2009.	3.80	275	\$1,045.00

<b>MMOR Consulting, Inc. 750 Third Ave – 9th Fl. New York, NY 10017</b>					
7/18/2011	MM	Review information regarding Colorado desk audit of LBHI for 2006/2008.	2.40	275	\$660.00
7/19/2011	MM	Meeting with NYS officials in Albany regarding payroll audits of Neuberger Berman LLC,etc.	8.30	275	\$2,282.50
7/20/2011	MM	Review information regarding income from foreign affiliates for Minn. Audit for 2004/2006.	4.20	275	\$1,155.00
7/20/2011	MM	Meetings relating to Ca. request for additional information for 2005-2007.	3.70	275	\$1,017.50
7/20/2011	MM	Meeting relating to federal consolidated return for 2010.	1.40	275	\$385.00
7/21/2011	MM	Meeting with NYS auditor regarding sales tax audit of Neuberger Berman LLC for 2006/2010.	4.70	275	\$1,292.50
7/21/2011	MM	Meeting with client to discuss NYS request for information relating to Neuberger Berman LLC.	3.40	275	\$935.00
7/22/2011	MM	Review information regarding Texas penalty assessed against LBB for 2006.	2.40	275	\$660.00
7/22/2011	MM	Meetings, discussions relating to settlement proposal with NYC for 1996/2008.	4.80	275	\$1,320.00
7/25/2011	MM	Review LBHI prior year payments of Corporate taxes to NYC in order to determine the validity of the overpayment reflected on the 2009 return.	4.30	275	\$1,182.50
7/25/2011	MM	Meetings regarding NYS payroll audit of Lehman Brothers Global Services LTD for 2007-2009.	4.10	275	\$1,127.50
7/26/2011	MM	Review information relating to Ca. housing credits,etc for 2003/2007.	4.40	275	\$1,210.00
7/26/2011	MM	Meeting with client and review information regarding NYC assessment for 1996/2008.	2.70	275	\$742.50

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
7/26/2011	MM	Review information regarding Colorado audit of LBHI and Subs. For 2006/2008.	2.30	275	\$632.50
7/27/2011	MM	Obtain and review information regarding NYS payroll audit of Neuberger Berman LLC for 2006/2010.	4.40	275	\$1,210.00
7/27/2011	MM	Review information regarding Ca. sales tax audit of Lehman Brothers Asset Management Inc. 2008-2010.	3.70	275	\$1,017.50
7/28/2011	MM	Meeting, discussions review information regarding Texas audit of LBHI and Subs. For 2008/2009.	3.75	275	\$1,031.25
7/28/2011	MM	Discussions regarding NYS payroll audits of three entities including Neuberger Berman LLC for 2006/2010.	2.30	275	\$632.50
7/29/2011	MM	Review information relating to Ca "gross-up" method for receipts for 2004-2007.	4.10	275	\$1,127.50
7/29/2011	MM	Discussions regarding Ca. sales tax audit of Lehman Brothers Asset Management Inc. 2008/2010.	2.30	275	\$632.50
<b>Total Service Amount</b>					<b><u>\$47,877.50</u></b>
<u>Reimbursable Expenses</u>					
7/1/2011		Parking 101 Hudson St. J.C., NJ			\$298.00
7/19/2011		Transportation to Albany, NY and lunch with client.			\$280.00
<b>Total Expenses</b>					<b><u>\$578.00</u></b>
<b>Amount Due This Invoice</b>					<b><u>\$48,455.50</u></b>

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
State & Local Tax Audits					
Professional Services					
<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
8/1/2011	MM	Meeting to discuss Ca. protest of assessment against LBHI for 2003/2004.	2.10	275	\$577.50
8/1/2011	MM	Review information regarding NYC assessment against LBHI for 1996-2008.	4.30	275	\$1,182.50
8/1/2011	MM	Discussions regarding NYS Warrant against Lehman Brothers Trust for 2008.	2.40	275	\$660.00
8/2/2011	MM	Review impact of writeoffs of foreign subsidiaries on NYS/NYC returns for 2008/2010.	4.40	275	\$1,210.00
8/2/2011	MM	Review information on investment income for NYC purposes for 1996/2008.	4.70	275	\$1,292.50
8/3/2011	MM	Determine potential exposure items on Colorado returns for LBHI for 2005/2009.	3.20	275	\$880.00
8/3/2011	MM	Review information regarding Pa. audit of LBHI.	2.70	275	\$742.50
8/3/2011	MM	Meeting to discuss return filings for 2010.	3.40	275	\$935.00
8/4/2011	MM	Review adjustments by NYC to LBHI investment income/expenses for 1996/2008.	4.60	275	\$1,265.00
8/4/2011	MM	Review adjustments by NYC to LBHI subsidiary income/expenses for 1996/2008.	3.70	275	\$1,017.50
8/8/2011	MM	Obtain and review information regarding NYS sales tax audit of Neuberger Berman LLC 2006/2010.	4.40	275	\$1,210.00
8/8/2011	MM	Review NYC audit work papers relating to LBHI's assessment for 1996/2008.	3.80	275	\$1,045.00
8/9/2011	MM	Meetings with client regarding the allocation of the NYS settlement of 153 million to various affiliates.	5.30	275	\$1,457.50

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
8/9/2011	MM	Review information regarding Texas audit of LBHI and Subs. for 2008/2009.	4.10	275	\$1,127.50
8/10/2011	MM	Meeting, review information regarding NYS payroll withholding audit of Lehman Brothers Global Services LTD.	3.10	275	\$852.50
8/10/2011	MM	Discussions regarding NYS assessment of penalty against Lehman Brothers Trust Co. for 2008.	2.70	275	\$742.50
8/10/2011	MM	Meeting to discuss state and local issues impacting the 2010 return filings.	3.40	275	\$935.00
8/11/2011	MM	Review information relating to NYS sales tax audit of Neuberger Berman LLC for 2006/2010.	4.10	275	\$1,127.50
8/11/2011	MM	Review NYC assessment regarding investment income and related expenses for LBHI and Subs. for 1996/2008.	4.60	275	\$1,265.00
8/12/2011	MM	Review LBHI and Subsidiaries available NOL's for NYC purposes for 1996/2008.	5.10	275	\$1,402.50
8/12/2011	MM	Review NYC alternative tax based on income plus officers compensation for LBHI and Subsidiaries for 1996/2008.	3.20	275	\$880.00
8/15/2011	MM	Review information regarding Ca. sales/use tax audit of Lehman Brothers Asset Management Inc. 2006/2010.	3.30	275	\$907.50
8/15/2011	MM	Meetings, discussions regarding Chicago sale/use tax audit of Neuberger Berman LLC.	2.10	275	\$577.50
8/15/2011	MM	Obtain and review information regarding dividend income for Ca audit of LBHI for 2005/2007.	3.80	275	\$1,045.00
8/16/2011	MM	Meetings, discussions regarding Ca sales tax audit of Lehman Brothers Asset Management Inc for 2006/2010.	2.80	275	\$770.00



<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
8/16/2010	MM	Meeting with client and PWC regarding NYC assessment of LBHI for 1996/2008.	3.30	275	\$907.50
8/16/2011	MM	Review information regarding Texas audit of LBHI and Subs. for 2008/2009.	3.10	275	\$852.50
8/17/2011	MM	Meeting with Texas auditor regarding LBHI and Subs. For 2008/2009.	3.80	275	\$1,045.00
8/17/2011	MM	Review information regarding NYS sales tax audit of Neuberger Berman LLC for 2006/2011.	2.40	275	\$660.00
8/17/2011	MM	Meeting regarding NYC assessment of LBHI and Subs. for 1996/2008.	2.30	275	\$632.50
8/18/2011	MM	Obtain and review information regarding NJ income tax audit of Neuberger Berman Inc for 2006/2008.	3.20	275	\$880.00
8/18/2011	MM	Review information regarding NYC audit of Lehman Brothers Trust Co. NA for 2008/2009.	2.60	275	\$715.00
8/18/2011	MM	Review information regarding NYS payroll audit of Lehman Brothers Global Services Ltd.for 2007/2009.	2.80	275	\$770.00
8/25/2011	MM	Review information relating to Minn. Assessment of LBHI for 2004/2006.	4.70	275	\$1,292.50
8/25/2011	MM	Obtain and review information regarding NJ audit of Neuberger Berman Inc. for 2006/2008.	4.30	275	\$1,182.50
8/26/2011	MM	Review information regarding NYC audit of Lehman Brothers Trust Co. NA for 2008/2009.	3.30	275	\$907.50
8/26/2011	MM	Review information regarding NYS sales tax audit of Neuberger Berman LLC for 2006/2011.	3.10	275	\$852.50
8/29/2011	MM	Review apportionment information for Ca audit of LBHI for 2005/2007.	5.10	275	\$1,402.50

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
8/29/1904	MM	Review payroll tax information relating to NYS audit of Lehman Brothers Global Services Ltd. For 2007/2009.	3.20	275	\$880.00
8/29/1904	MM	Review expenses attributable to investment income for NYC purposes for LBHI for 1996/2008.	2.40	275	\$660.00
8/30/2011	MM	Review NYC alternative tax based on income plus officers compensation for LBHI and Subsidiaries for 1996/2008.	4.20	275	\$1,155.00
8/30/2011	MM	Review payroll tax information relating to NYS audit of Neuberger Berman Fixed Income LLC for 2006/2010.	4.70	275	\$1,292.50
8/31/2011	MM	Meeting regarding NYS warrant against Lehman Brothers Trust Co for 2008.	2.10	275	\$577.50
8/31/2011	MM	Obtain information regarding NJ audit of Neuberger Berman Inc. for 2006/2008.	3.30	275	\$907.50
8/31/2011	MM	Review Ca assessment against LBHI for 2003/2004 and proposed adjustments for 2005/2007 and compute additional interest/penalties.	3.10	275	\$852.50
		<b>Total Service Amount</b>			<b><u>\$43,532.50</u></b>
<u>Reimbursable Expenses</u>					
8/1/2011		Parking 101 Hudson St.JC,NJ			\$298.00
		<b>Total Expenses</b>			<b><u>\$298.00</u></b>
		<b>Amount Due This Invoice</b>			<b><u>\$43,830.50</u></b>

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
State & Local Tax Audits					
Professional Services					
<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
9/1/2011	MM	Review information regarding Colorado audit of LBHI for 2005/2009.	4.20	275	\$1,155.00
9/1/2011	MM	Review information regarding Chicago sales tax audit of Neuberger Berman LLC.	3.10	275	\$852.50
9/1/2011	MM	Meeting regarding City of Wilmington proposed assessments for 2000/2006.	3.40	275	\$935.00
9/2/2011	MM	Review information relating to flow thru of partnership information to PAMI for Ca purposes for 2005/2007.	4.30	275	\$1,182.50
9/2/2011	MM	Research applicability of Ca low income housing credits of a member against combined group tax liability.	3.40	275	\$935.00
9/2/2011	MM	Review information regarding Texas audit of LBHI for 2008/2009.	2.10	275	\$577.50
9/6/2011	MM	Discussions with client and NYC officials in an attempt to reconcile the amount of LBHI overpayment carryforward of corporate taxes.	3.70	275	\$1,017.50
9/6/2011	MM	Review dividends received by foreign affiliates for Ca purposes for 2007.	4.20	275	\$1,155.00
9/6/2011	MM	Discussions regarding Colorado audit of LBHI and subs. For 2005/2009.	2.90	275	\$797.50
9/7/2011	MM	Review information regarding Ma. audit of PAMI for 2007.	4.10	275	\$1,127.50
9/7/2011	MM	Review information regarding NJ audit of Neuberger Berman Inc. 2006-2008.	4.70	275	\$1,292.50
9/7/2011	MM	Discussions with Ohio officials regarding sales tax assessment against LBHI for all open years.	2.20	275	\$605.00

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
9/8/2011	MM	Review information relating to dividends from foreign affiliates for Ca audit of LBHI for 2005/2007	4.70	275	\$1,292.50
9/8/2011	MM	Obtain and review information relating to capital losses generated by the combined group in 2002 to be carried forward to 2003 for Ca purposes.	5.20	275	\$1,430.00
9/9/2011	MM	Review LBHI's NOL deductions for NYC purposes during 1996/2008.	5.10	275	\$1,402.50
9/9/2011	MM	Review LBHI's computation and documentation relating to Low Income Housing Credits for Ca. purposes.	4.60	275	\$1,265.00
9/12/2011	MM	Review information relating to investment income in order to arrive at a NYC settlement proposal for LBHI and Subs for 1996/2008.	4.40	275	\$1,210.00
9/12/2011	MM	Review information relating to income from subsidiaries in order to arrive at a NYC settlement proposal for LBHI and Subs for 1996/2008.	4.80	275	\$1,320.00
9/12/2011	MM	Discussions with NYS officials regarding penalty assessed against Lehman Brothers Global Services for 2010.	2.30	275	\$632.50
9/13/2011	MM	Letter to Mass. Dept of Revenue relating to proposed settlement agreement for PAMI for the 2007 return.	2.80	275	\$770.00
9/13/2011	MM	Meeting with PWC's John Verde to discuss NYS payroll audit of Lehman Brothers Global Services Ltd.,etc.	4.40	275	\$1,210.00
9/13/2011	MM	Meetings to discuss NYC settlement proposal for 1996/2008.	4.10	275	\$1,127.50
9/14/2011	MM	Preparation for meeting with NYC officials to discuss settlement proposal for LBHI's assessment for 1996/2008.	4.20	275	\$1,155.00

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
9/14/2011	MM	review information regarding NYS sales tax audit of Neuberger Berman LLC for 2006/2011.	3.70	275	\$1,017.50
9/14/1011	MM	Review information regarding NYC audit of Lehman Brothers Trust Co. NA for 2008/2009.	4.40	275	\$1,210.00
9/15/2011	MM	Meetings, discussions regarding NYC settlement with Ambac Financial Inc prior to meeting with NYC officials.	4.70	275	\$1,292.50
9/15/2011	MM	Meeting with NYC officials regarding proposal to settle LBHI assessment for 1996-2008.	5.60	275	\$1,540.00
9/16/2011	MM	Meeting with Ca auditors for LBHI for income/franchise taxes for 2005/2007.	4.30	275	\$1,182.50
9/16/2011	MM	Review Ohio sales tax info. For PAMI Statler Arms LLC for 2003/2008.	2.40	275	\$660.00
9/16/2011	MM	Meeting with client to discuss the results of NYC settlement proposal for LBHI for 1996/2008.	4.10	275	\$1,127.50
9/19/2011	MM	Review dividends received as well as paid by foreign affiliates for Ca purposes for 2005.	4.10	275	\$1,127.50
9/19/2011	MM	Review availability of NOL's for LBHI and subsidiaries in connection with NYC settlement discussions for 1996/2008.	4.70	275	\$1,292.50
9/20/2011	MM	Obtain and review dividends received and paid by foreign affiliates for LBHI Ca audit for 2005.	3.70	275	\$1,017.50
9/20/2011	MM	Review information regarding Colorado audit of LBHI for 2005/2009.	4.10	275	\$1,127.50
9/20/2011	MM	Discussion regarding Chicago sales tax audit of Neuberger Berman Group LLC for all open years.	2.20	275	\$605.00

<b>MMOR Consulting, Inc.</b> <b>750 Third Ave – 9th Fl.</b> <b>New York, NY 10017</b>					
9/21/2011	MM	Letter to Minnesota protesting assessment against LBHI for 2004/2006.	5.10	275	\$1,402.50
9/21/2011	MM	Review information regarding NJ claim against LBHI for prior year refunds of sales/use taxes.	4.30	275	\$1,182.50
9/22/2011	MM	Review applicability of NJ enterprize zone to LBHI.	3.10	275	\$852.50
9/22/2011	MM	Meeting with Brian Kelleher of Deloitte Touche regarding various state tax issues for LBHI.	3.30	275	\$907.50
9/22/2011	MM	Reviewpotential exposure for NYS sales/use taxes due by LBHI since 8/15/2008.	2.40	275	\$660.00
9/22/2011	MM	Review payroll tax info. Of Lehman Brothers Global Services Ltd. 2007/2009.	3.50	275	\$962.50
9/23/2011	MM	Review sales tax information regarding Neuberger Berman NYS audit for 2006/2011.	4.60	275	\$1,265.00
9/23/2011	MM	Review information in order to support a payment of 2.2 mil.to NYC by Neuberger Berman Inc. in 2003.	5.30	275	\$1,457.50
9/26/2011	MM	Meeting and review of information with NYS auditors regarding payroll audit of Neuberger Berman LLC for 2006/2010.	3.80	275	\$1,045.00
9/26/2011	MM	Meeting and review of information with NYS auditors regarding payroll audit of Neuberger Berman Fixed Income for 2006/2010.	4.10	275	\$1,127.50
9/26/2011	MM	Meeting and review of information with NYS auditors regarding payroll audit of Lehman Brothers Global Services Ltd. For 2006/2010.	3.30	275	\$907.50
9/27/2011	MM	Review information regarding 80/20 companies for Minn. for LBHI.	4.10	275	\$1,127.50
9/27/2011	MM	Review LBHI NJ sales tax incentives for 2005/2008.	5.70	275	\$1,567.50

<b>Amount Due This Invoice</b>	<b><u>\$59,395.50</u></b>
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